

United Nations Global Compact

# RBPLAT'S Annual Communication of Progress

2013







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Integrating the Global Compact  
and its principles into our business strategy,  
culture and daily operations

4 Statement of continued support of the UN Global Compact Principles

I am pleased to confirm that Royal Bafokeng Platinum Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labour standards, protection of the natural environment and the fight against corruption. We are committed to sharing the information in this report with our stakeholders and further detailed information is available in our 2012 Integrated Report and our website at [www.bafokengplatinum.co.za](http://www.bafokengplatinum.co.za).

In light of our Board's newly-established Social and Ethics Committee and the merger of our corporate sustainability portfolio with our risk and assurance executive management portfolio, we welcome the opportunity to review our current governance, strategy, operational management and stakeholder engagement processes. We will also be creating more robust frameworks and practices with the aim of continuing to drive the integration of sustainable business practices into our core business during 2013.

  
**Steve Phiri**  
Chief Executive Officer  
Royal Bafokeng Platinum Ltd.  
  
10 July 2013



Introduction

Royal Bafokeng Platinum Limited (RBPlat) became a signatory to the United Nations Global Compact (UNGC) in 2012. This report presents a summary of our sustainability activities during our financial year ended 31 December 2012. A full description of our activities is available in our 2012 Integrated Report and on our website, [www.bafokengplatinum.co.za](http://www.bafokengplatinum.co.za).

We are committed to creating and sustaining value for all our stakeholders through the integration of sustainable business practices into our core business. To achieve this we continually undertake review and realign our sustainability agenda.

Early in 2013, the Company merged its sustainability portfolio with that of risk and assurance, which has raised the status of our sustainability initiatives. We will report on the impact of this change in our 2013 Communication on Progress.

Background to RBPlat

We are a relatively new company, incorporated in 2008 by Royal Bafokeng Holdings, the investment vehicle of the Royal Bafokeng Nation, and listed on the Main Board of the JSE Limited on 8 November 2010. RBPlat, which is black owned and controlled, trades within the Platinum and Precious Metals sector.

On 4 January 2010, Royal Bafokeng Resources Proprietary Limited (RBR), a subsidiary of RBPlat, assumed management control of the Bafokeng Rasimone Platinum Mine Joint Venture (BRPM JV).

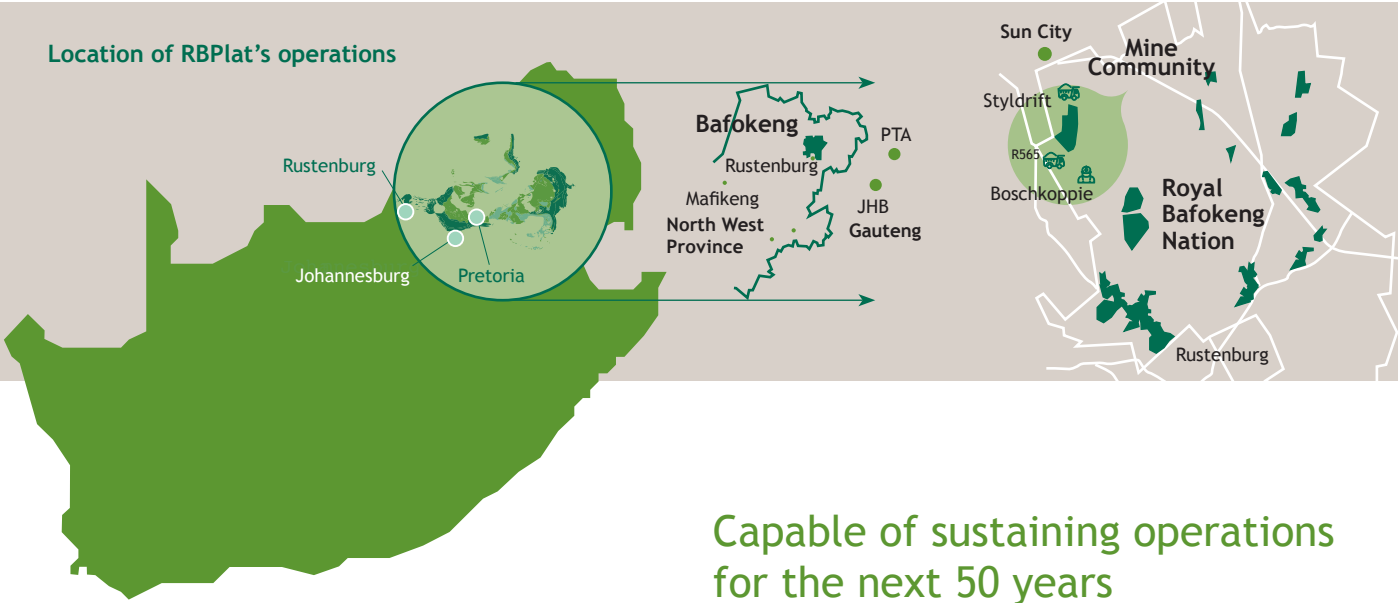
This transfer of control followed an agreement reached between Anglo Platinum Limited (APL) and the investment arm of the Royal Bafokeng Nation, Royal Bafokeng Holdings Proprietary Limited (RBH), to restructure the BRPM JV.

The restructuring transaction involved a change in the participation interests of the Joint Venture partners from that of joint control (50% RBR and 50% Rustenburg Platinum Mine (RPM) with APL managing the JV, to RBR holding a majority interest (67% RBR and 33% RPM) and operating the Joint Venture. The transaction became unconditional on 7 December 2009. RBR

RBPlat has operated BRPM, located in the North West province, since 4 January 2010. This includes operating the Boschkoppe Mine and bringing the Styldrift Merensky Phase I Project into production. These operations are located 120 kilometres from Johannesburg, 30 kilometres from Rustenburg and 17 kilometres from Phokeng – the heart of the Royal Bafokeng Nation. RBPlat currently employs 7,200 people (both own employees and contractors) on both its operations.

These combined operations, which have significant mineral reserves and resources, are capable of sustaining operations for the next 50 years. The Boschkoppe Mine currently mines both the Merensky and UG2 reefs and the Styldrift Mine will do the same once it goes into production.

Location of RBPlat's operations



Capable of sustaining operations for the next 50 years



6 Background to RBPlat

Legislative overview

All RBPlat’s operations, exploration and development activities are located in South Africa and are therefore subject to the local laws and regulations governing various matters. These include laws and regulations relating to exports, price controls, repatriation of capital and exchange controls, taxation, mining royalties, labour standards and occupational health and safety, including mine safety and historic and cultural preservation.

Mining operations are subject to a variety of industry-specific health and safety laws and regulations formulated to improve and to protect the safety and health of employees. In South Africa, recent fatalities in the mining industry have resulted in the introduction of Section 54, a compulsory shutdown of operations to enable investigations into the cause of fatal incidents.

Other legislation governing the mining industry in South Africa includes the:

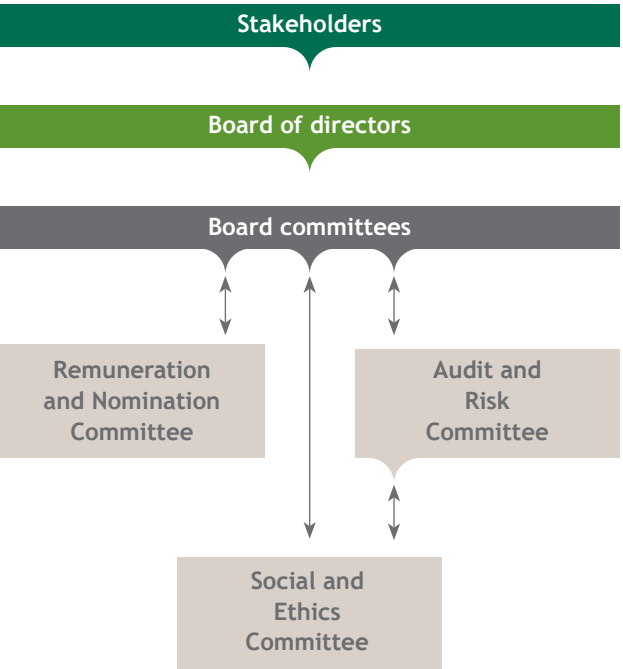
- Mine Health and Safety Act, 29 of 1996
- Occupational Health and Safety Act, 85 of 1993
- Mineral and Petroleum Resources Development Act 2002 (MPRDA)
- Broad-Based Socio-Economic Charter for the South African Mining and Minerals Industry (the Mining Charter)
- Charter Scorecard, the Mining Titles Registration Act 1967 (as amended)
- Mineral and Petroleum Resources Royalty Act, 28 of 2008
- Restitution of Land Rights Act, 22 of 1994
- Labour Relations Act, 66 of 1995, Basic Conditions of Employment Act, 75 of 1997
- Employment Equity Act, 55 of 1998
- Competition Act of 1998.

Governance of sustainability

RBPlat has established sound corporate governance structures and processes and is committed to maintaining high standards of governance throughout its operations. The Company has implemented policies and procedures to ensure full compliance with the King Code of Corporate Governance (King III) and the requirements of the South African Companies Act No. 71 of 2008. To provide oversight with respect to the Company’s social, environmental and economic impact, a Social and Ethics Committee (previously the Sustainable Development Committee) of the Board was established in February 2012.

The committee’s role is to supplement, support, advise and provide guidance on the effectiveness of our efforts in terms of social, ethical and sustainable development related matters which include safety, health and wellness, environmental management, climate change, the management of the Company’s ethical conduct, corporate social investment, community development, stakeholder engagement and the protection of the Company’s assets and risks associated with these matters, including the assessment of key assurance provisions.

Reporting lines of the RBPlat governance structures



Stakeholder Engagement

Stakeholder engagement is one of our key material issues. The Board is responsible for communicating effectively with our shareholders and has made the CEO, the CFO, the COO and the Investor Relations Manager responsible for regularly engaging with our shareholders and potential shareholders.

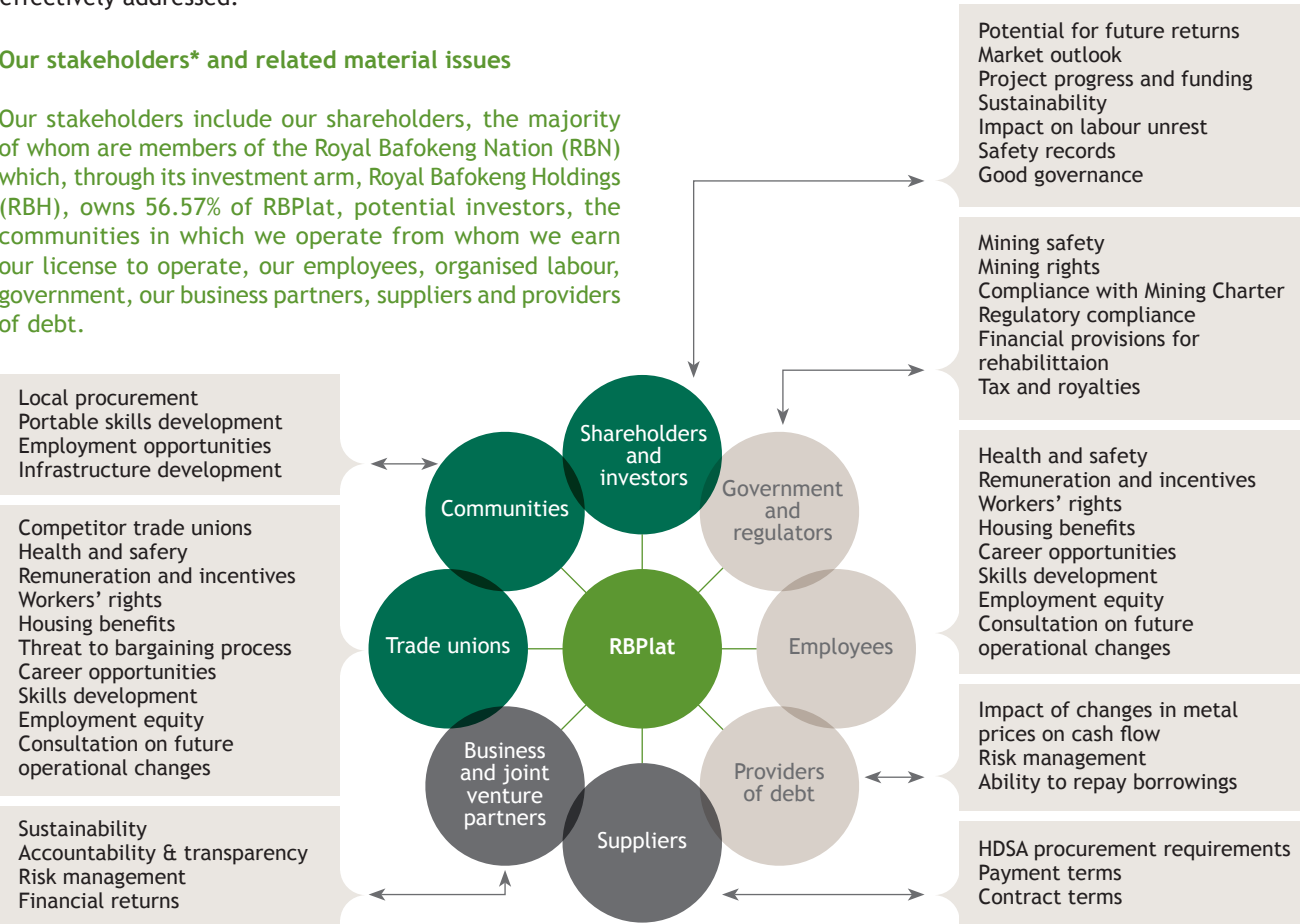
In addition, specific engagement forums have been established under the leadership of the CEO and executive directors to ensure that other stakeholders, such as our employees and the communities in which we operate, have a platform to raise their concerns and have meaningful discussions with management.

We have a broad range of internal and external stakeholders who have a material interest in or are affected by RBPlat and we have assessed our involvement with them, our potential impact on them and their potential impact on our business at both a corporate and operational level.

Our comprehensive stakeholder engagement framework identifies our stakeholders, the material issues involved with each stakeholder, the frequency of engagement and the processes in place to ensure that material issues are effectively addressed.

Our stakeholders\* and related material issues

Our stakeholders include our shareholders, the majority of whom are members of the Royal Bafokeng Nation (RBN) which, through its investment arm, Royal Bafokeng Holdings (RBH), owns 56.57% of RBPlat, potential investors, the communities in which we operate from whom we earn our license to operate, our employees, organised labour, government, our business partners, suppliers and providers of debt.



\*See [www.bafokengplatinum.co.za](http://www.bafokengplatinum.co.za) for more information on our stakeholder engagement

Background to RBPlat

Our Ethos

Our business

Maximum value from safe platinum group metals extraction

Our vision

To seek and deliver the good from mining

Our mission

To leave a lasting legacy of sustainable benefits for our stakeholders

Our purpose

The purpose of our business model is to create economic value, within a mutually beneficial joint venture, in a manner that also creates value for society

Our Strategy

- Towards operational excellence
- Build flexibility
- Grow organically
- Pursue value enhancing opportunities

Our values

**Safety and People First:** Mining is a high-risk business and cannot succeed without total trust, respect, teamwork and an uncompromising commitment to safety and people first.

**Promises delivered:** We do what we say we will do.

**Mutual Interests & Mutual Rewards:** We have mutual goals and mutual interests, and we depend on each other to realise our collective vision and mission. We operate in good faith, openly and transparently.

Our logo

The RBPlat logo consists of a crocodile eye. The crocodile is the genealogical icon and a symbol of prosperity for the Royal Bafokeng Nation (RBN).

The green colour symbolises the natural environment and our commitment to conserve it, while the silver stands for the colour of platinum.

The RBPlat logo signifies the sustainability aspect of our platinum group metals (PGM) extraction business, as well as our vision of establishing value for the benefit of all our stakeholders to create a lasting legacy. In addition, the inherent qualities of platinum that make it suitable for use in automotive catalytic converters that reduce the noxious gases from automotive emissions, align with the company’s sustainability vision.

Our tagline

‘More than mining’  
- mining is what we do and not who we are.

Sustainability objectives

**Safety and health stewardship** - to instil a safety first philosophy to achieve zero harm to our employees through effective and efficient monitoring, prevention and management of occupational safety and health risks.

**Human capital development** - to instil a people first philosophy which enhances the intellectual and productive capacity of our employees.

**Ore body development** - to secure the long term viability of our platinum group metals (PGM) resource through efficient exploration and development of our ore reserves to create immediately available ore resources (IMA) and immediately stopable faces (IMS).

**Economic capital** - to employ cost effective and efficient investment capital methods for the production of PGMs to generate a risk-adjusted rate of return.

**Environmental stewardship** - to employ mine development and extraction methods that minimise damage and disturbance to the natural environment and ecosystems.

**Social development** - to empower communities to sustain themselves beyond our mining activities.

**Manufactured (Innovation) capital** - to develop, seek and implement relevant and appropriate PGM production approaches in order to enhance both safety (zero harm) and total factor productivity performance.

**Asset protection and security** - to acknowledge and recognise the direct and indirect impact of our business and to openly engage, communicate and respond to stakeholder concerns and interests.

**Corporate governance framework** - to lead the business in accordance with best practice principles and compliance with regulations, for sustained stakeholder value creation.

**Stakeholder engagement and reputation management** - to acknowledge and recognise the direct and indirect impact of our business and to openly engage, communicate and respond to stakeholder concerns and interests.

Our Sustainability Achievements

- Our 2011 Integrated Annual report was recognised as excellent in the Ernst & Young Excellence in Integrated Reporting Awards 2012
- We qualified for the JSE Socially Responsible Investment (SRI) Index in 2012
- We perform well against the Mining Charter Scorecard
- Our commitment to the Carbon Disclosure Project resulted in our inclusion in the Nedbank Green Index which selects companies for inclusion in the index based on their commitment to, performance and levels of disclosure on climate change issues.



Mining is what we do  
and not who we are



10 Overview of progress made in meeting the 10 UNGC Principles

Human Rights	Please refer to Pages 85 and 97 of our 2012 Annual Integrated Report <a href="http://www.bafokengplatinum.co.za">www.bafokengplatinum.co.za</a>
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.

Overview  
Within our community

We identify our impacts on the communities in which we operate, both positive and negative, using social and human rights baseline studies and risk assessments. We work closely with the communities to maximise the positive impacts of our activities and to minimise or avoid any potentially negative effects that could arise from our activities.

Community consultation is a key part of our approach. We involve communities in developing solutions that will have mutual benefits and engage openly and honestly with community representatives. Both our BRPM and Styldrift operations conduct monthly meetings with community representatives to keep them informed of activities at our operations, to be informed by them of issues that have arisen since the previous meeting and to provide feedback on issues that they raised during the previous meeting. The communities in which we operate live in four villages: Mafenya, Chaneng, Robega and Rasimone, which are informally known as MACHARORA. Three of these villages are on Royal Bafokeng Nation (RBN) property and the third, Robega, is on state-owned land. We invest in all these communities. Empowering these communities and enhancing their socio-economic capacity, prosperity and sustainability secures our licence to operate and is an investment in their futures and ours.

For example, the Phokeng police station had no facilities for the disabled and there was no privacy for people reporting matters of a personal nature. We replaced the counters and provided privacy, installed cupboards, replaced desktops, repainted the community service centre, installed air conditioners and repaired windows and doors.

Because of the population growth in the MACHARORA villages, the Chaneng clinic was not coping with the intake of patients. Having assessed the problem areas we assisted by providing a fully equipped ambulance, medical equipment, wheelchairs and office furniture. We are also paying the salaries of two additional nurses, employed by the Royal Bafokeng Administration (RBA).

For more examples see Page 77 of our 2012 Annual Integrated Report [www.bafokengplatinum.co.za](http://www.bafokengplatinum.co.za)

Safety

Our Board and CEO, assisted by the Board sub-committees, assume ultimate responsibility for RBPlat’s safety performance. In our operations safety is the direct responsibility of senior management who are responsible for providing effective leadership, appropriate designs, workable systems and behaviour that will prevent unwanted events and eliminate fatalities.

We developed a safety strategy model for RBPlat in 2011 to be used as a guiding principle when designing and developing new projects. It is also used as the guiding document for investigating the reasons for failure when there is an unwanted event in our operations.

Our Safety Code of Conduct, safety discipline and safe teamwork are the building blocks that form the foundation of our safety strategy model.

The rules set out in the first building block, our Safety Code of Conduct, outline the duties, functions and responsibilities of individuals in their day-to-day decision making processes for the actions they need to perform.

Human rights 11

Principle 1	Continued
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Within our Company

The second block, safety discipline, sets out what action needs to be taken and how it should be taken to address the type of human error identified, taking into consideration slips, lapses, mistakes or violations.

The third block, safe teamwork, relates to the concept of ‘my brother’s keeper’ with one common goal - zero harm.

Standing on this foundation are the four barriers we identified as needing to be in place to prevent unwanted events. These are leadership, design, systems and behaviour. Each barrier has a critical role to play in preventing unwanted events. The stronger the barrier, the less likelihood there is of something unplanned happening.

Safety Vision

- Every person working on our mine must go home unharmed every day
- No rock will fall uncontrolled
- No sub-standard winch will be operated
- No machinery is to be operated without authorisation. All machinery must comply with the original equipment manufacturers (OEM) specifications and be effectively guarded for safe operation.

Trust, respect, teamwork and an uncompromising commitment to the safety and health of our people is of utmost importance at our Company.

The safety principles which support the holistic safety, health and environment (SHE) strategy are:

- All injuries are preventable
- Our standards and procedures are non-negotiable and must always be applied
- We learn from unexpected events and put systems in place to prevent them recurring.

Health and Wellness

We comply with the requirements of the South African Mine Health and Safety Act. Until we implement our new health and wellness strategy in 2013 we are employing the Anglo American Platinum health strategy, policies, processes and procedures that were in place when RBPlat took over management control of BRPM. Platinum Health is responsible for our medical surveillance and the monitoring of our healthcare delivery. Occupational health and hygiene policies, standards, monitoring and auditing are the responsibility of our SHE department. Line management is responsible for maintaining occupational health and hygiene standards. A healthy workforce is an advantage to our business, because it means that our employees are fit to work at their full potential and absences due to sickness are reduced.

We aim to eliminate occupational diseases by providing a workplace free from health and hygiene hazards and are committed to improving the wellbeing of our employees and contractors. Because we have identified the main health issues affecting our workforce, we can effectively address their specific needs. We also take measures to establish if there are any activities at our mines that could affect neighbouring communities. Each operational area at our Boschkoppie Mine (North shaft, South shaft, the concentrator plant and central services) has a health and safety committee, whose members are drawn from both management and employees.

Human rights

Principle 1	Continued
Within our Company	<p>Employees elect representatives from among the health and safety representatives appointed for their operational area onto the Operational Health and Safety Committee. Each operational area Health and Safety Committee consists of at least four employee representatives and a number of management representatives equal to or less than the numbers of employee representatives. Committee meetings are held at least once a month.</p> <p>We have adopted a vision of zero occupation-related harm. To achieve our vision we are:</p> <ul style="list-style-type: none"><li>• implementing a workplace culture throughout RBPlat which recognises that all occupation-related illnesses are preventable.</li><li>• making a consistent and sustained effort to ensure that there are no repeat occurrences of occupational diseases in any part of our organisation.</li><li>• applying simple, consistent and non-negotiable health and safety standards across our organisation to prevent occupation-related illnesses.</li></ul> <p><b>Housing</b></p> <p>We recognised during our wage negotiations in 2011 that RBPlat needed to address the living conditions of our employees. As part of the agreement both parties undertook to investigate a housing solution which would make it possible for BRPM’s employees to procure their own homes. The first phase of our housing intervention will be started in 2013 with the construction of 400 houses. The detail governing the allocation of these houses is currently being developed in conjunction with the union. We are hopeful that the availability of these homes will encourage our employees to invite their families to join them in Rustenburg and will over time reduce the financial burden of maintaining dual households, i.e. the rented accommodation employees occupy near their place of employment and the homes in which their families live.</p> <p><b>Education and Training</b></p> <p>When we realised that it was very difficult to find enough community members with a suitable maths and science qualification for employment, it was evident that we had to start addressing this gap in the local schools. We launched our Bokamoso schools Programme in 2012. This year 173 pupils from three schools participated in the programme, which offers extra maths and science classes to Grade 10, 11 and 12 pupils. This programme will assist children from the community to matriculate with maths and science marks that allow them entry at tertiary level and qualify for bursaries. In addition to a school programme, our investment in community education includes bursaries and graduate development programmes.</p> <p>We offer adult basic education and training (ABET), portable skills training and training in various mining skills to community members. In 2012 we started our Rock Drill Operators Academy which was introduced to address the current shortage of these skills. Our training programme, for unemployed youths, who have completed our ABET and portable skills programme, is facilitated over 18 months during which the youths are trained in the full complement of mining skills. Their practical training takes place in our underground training centre where they are taught how to blast and are trained in the relevant safety rules. We have 18 women on our rock drill operator training programme and hope ultimately to produce an all-female rock drill operator team. We already have two women who have been through our Rock Drill Operators Academy.</p>

Principle 1	Continued
2012 Activities	<p><b>Safety</b></p> <ul style="list-style-type: none"><li>• Our safety strategy has been implemented and we are busy embedding the culture of safety first in our operations. Sadly, we did not have a fatality-free year at RBPlat owing to a gravity-induced fall of ground fatality at BRPM’s North shaft on 6 February 2012 where Mr Castigo Mario Ndeve lost his life.</li><li>• BRPM has maintained its Occupational Health and Safety Assessment System (OHSAS) 18001 certification every year since 2004.</li><li>• All employees injured on duty are now counseled by a qualified psychologist, as part of the process through which we are developing a better understanding of what factors contribute to unwanted events resulting in injury. In the case of a traumatic accident, both the injured person and those who witnessed the accident are given formal trauma counselling.</li></ul> <p><b>Health and Wellness</b></p> <ul style="list-style-type: none"><li>• The health and wellness part of our SHE strategy is complete and will be distributed in the first quarter of 2013.</li><li>• No person showed a compensable shift in hearing loss in 2012 as a result of working at RBPlat operations. A survey of our hearing conservation programme conducted in 2012 indicated a high level of compliance with the programme.</li><li>• No occupational related diseases reported for 2012.</li><li>• HIV prevalence rate for 2012 is 22.7% which is well below the North West province prevalence rate of 30%. This year 577 employees tested positive for HIV of which 500 were contractors.</li><li>• 430 patients currently on anti-retroviral treatment (ART) 261 received ART from the BRPM clinic and the balance from surrounding Platinum Health service providers exceeding our 50% target.</li><li>• There were no tuberculosis (TB) deaths of patients on our TB programme. Our TB prevalence rate for 2012 is 507/100 000. There were 37 new cases of TB detected among our employees and contractors during medical examinations.</li></ul> <p><b>Education and Training</b></p> <ul style="list-style-type: none"><li>• Launched our Bokamoso schools Programme in 2012.</li><li>• Launched our Rock Drill Operators Academy.</li></ul>
2013 Plans	<p><b>Safety</b></p> <ul style="list-style-type: none"><li>• Achieve zero fatalities.</li><li>• Improve at least 20% year-on-year on our lost time injury frequency rate (LTIFR) and serious injury frequency rate (SIFR) to achieve total zero harm within five years.</li><li>• Address the changing risk profile of the development at Styldrift I as a result of the change from shaft sinking to lateral development.</li><li>• Implement an effective SHE management system that will address the changing risk profile.</li><li>• Grow our understanding of the role human error plays in unwanted events.</li></ul>

Human rights

Principle 1	Continued
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2013 Plans	<p><b>Health and Wellness</b></p> <ul style="list-style-type: none"><li>• 95% exposure measurement for respirable crystalline silica to be less than an occupational exposure limit of 0.1mg/m3 as per the requirements in the 2013 safety Milestone document.</li><li>• No deterioration in hearing greater than 10% among occupationally exposed employees as a result of exposure at RBPlat operations. No new cases of noise-induced hearing loss (NIHL) in 2013 in line with the 2013 safety Milestone requirements.</li><li>• Reduction in the total noise emitted by all our equipment to below 110 decibels, by December 2013.</li><li>• No new cases of any occupation-related illness or diseases.</li><li>• Intense education, motivation and support to decrease the incident rate (new infections) of HIV.</li><li>• To facilitate the enrolment of contractors on a Company-controlled antiretroviral treatment (ART) programme.</li><li>• Achieve early detection, using innovative TB detector methods.</li></ul> <p><b>Housing</b></p> <ul style="list-style-type: none"><li>• A pilot project will commence in 2013 during which 400 houses will be built near Rustenburg (in terms of the Mining Charter stipulations mining companies will provide housing close to a functional town).</li></ul>
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Principle 2	Businesses should make sure that they are not complicit in human rights abuses.
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Overview	Our main focus is ensuring that business practices are aligned with RBPlat’s vision to be more than mining as well as with our business strategy. The Housing and Social Labour Plan projects are part of our business strategy and form part of our business sustainability.
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2012 Activities	As our human resource policies were inherited from APL, there was a need to develop and/or revisit these policies e.g. New Remuneration strategy and policy completed with short term incentives revised, travel and subsistence, Behavioural policy revised, among others.
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2013 Plans	Completion of all outstanding human resource policies and provision of accommodation (housing) project has begun - Phase I for employees- in a quest to provide our employees with decent living conditions. Policies to be revised/developed among others include recruitment, Human Resource Development and Talent Management Policy.
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Labour

Labour	Refer to Page 77 of our 2012 Annual Integrated Report <a href="http://www.bafokengplatinum.co.za">www.bafokengplatinum.co.za</a>
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Overview	<p>Responsibility for setting human resources strategy and standards and aligning them with RBPlat’s overall strategy lies with our Executive: Human Resources who reports directly to our Chief Executive Officer. Our human resource teams at BRPM and Styldrift I are responsible for implementing our human resource policies, ensuring strategic workforce planning and employee training and development. Our approach encourages multiskilling and provides our permanent employees and contractors with opportunities to acquire the skills and competencies that will allow them to develop and progress their careers.</p> <p>The enhancement of our human capital through education and training is essential for our business sustainability. The RBPlat human resource team’s goal of providing effective human resource strategic solutions to facilitate business operational excellence underpins their approach to enhancing our human capital by providing our operations with the appropriate skills and experience when they are required. In order to attract and retain the right skills we recruit, manage performance for development purposes, train and develop, and let go responsibly. We provide industry-leading career opportunities, well-structured employment contracts, fair and competitive remuneration. Our policies and procedures are designed to eliminate discrimination of every kind and ensure equal opportunity, regardless of race, nationality, religion, gender, age, sexual orientation, disability, political opinion or any other differentiator.</p>
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Employee Relations and Engagement	<p>We have identified a breakdown in relationships with our workforce as being a key risk to our business. To eliminate this risk we continually engage with our workforce (permanent employees and contractors) to achieve transparency and mutual understanding of issues. We developed a communication strategy and implemented a communication plan designed to achieve regular transparent communication with our workforce. This approach helped us minimise the impact of the labour unrest that affected the South African platinum industry in the second half of the year.</p>
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2012 Activities	<ul style="list-style-type: none"><li>• Implementation of RBPlat’s new human resource strategies, which includes improving the diversity in our workforce, investing in our people, stable labour relations and maintaining an open dialogue with trade unions.</li><li>• The progress we have made in all these areas and the challenges we have faced in doing so are described in our integrated annual report. We also developed and introduced a new behavioural and grievance policy and procedures.</li><li>• Employee housing solutions: We have made progress towards delivering on the commitment we made as part of the three-year wage agreement we signed in July 2011.</li><li>• Talent management: We established and agreed on our approach to talent management and succession planning during 2012.</li></ul>
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2013 Plans	<ul style="list-style-type: none"><li>• Continue to implement our human resource strategies with a particular emphasis on:<ul style="list-style-type: none"><li>- engagement with our employees and the trade unions.</li><li>- meeting our social and labour plan (SLP) requirements.</li><li>- talent management.</li></ul></li><li>• Deliver against our commitments in terms of a pilot housing project of 400 houses.</li><li>• Fully implement our talent management and succession planning process.</li></ul>
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Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
Overview	<p>We uphold the rights of our employees to freedom of association and collective bargaining and 91% of our employees, excluding approximately 100 Patterson Grade D2 and above employees, are unionised. The National Union of Mineworkers (NUM) represents the majority of the employees at BRPM.</p> <p>We currently recognise two unions: NUM and United Association of South Africa (UASA). NUM remains the majority union at RBPlat with 74% representation in the operators unit and 60% representation in the supervisory unit. UASA's membership currently stands at 31% in the supervisory unit and 11% representation in the operators unit. In accordance with our Employee Relations Recognition Agreement (ERRA) on collective bargaining, we signed a three-year wage agreement with NUM, the majority union, in 2011.</p> <p>When we find it necessary to reduce our workforce we take our responsibilities seriously and make every effort to implement the necessary workforce reduction fairly and in consultation with our employees and the trade unions. Whenever there are significant organisational changes we consult and communicate with our employees and provide them with appropriate support. The maximum notice period for advising our workforce of any changes that we have agreed with the trade unions is 14 days.</p> <p>Our CEO plays an important role in our employee engagement, regularly addressing employees and trade unions. He meets with our teams every quarter to congratulate those who have performed well and motivate the lowest performing teams to improve. This year his schedule included addressing shop stewards, recognising their contribution to our business and providing them with feedback on the progress of our housing committee, the platinum industry in general, and safety issues. We keep employees informed on business issues through various communication tools including our quarterly Lebone newsletter, partnership forums and the monthly feedback sessions held by the mines' general managers and operational area production managers.</p>
2012 Activities	<ul style="list-style-type: none"><li>During the periods of labour unrest our management team interacted with employees regularly and our CEO also took responsibility for addressing our employees, including those on strike. We kept our workforce updated on the situation via their mobile phones, using an interactive SMS system and community radio broadcasts. Our unions are engaged through various forums including the monthly operational unit partnership forums.</li><li>Refer to page 82 of our 2012 Annual Integrated Report <a href="http://www.bafokengplatinum.co.za">www.bafokengplatinum.co.za</a> for a case study on the 2012 strike action.</li></ul>
2013 Plans	<ul style="list-style-type: none"><li>We are currently on a three-year wage agreement which expires in 2014. However, informal preparations have already started, setting the schedule for 2014 and discussing the approach to the exercise.</li><li>Continuous engagement with Labour through Union/Management forums taking place as planned for the year. This is one of our strategies that has improved relationships with this key stakeholder.</li></ul>

Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.
Overview	<p>When RBPlat took over management of BRPM from Anglo American Platinum we retained their policies in our operations until we had developed our own, incorporating the latest trends and practices. During 2011 we developed the RBPlat remuneration philosophy to ensure we remain competitive in terms of remuneration and career opportunities.</p> <p>Over and above the legally mandated employment benefits, we provide our fulltime employees with retirement benefits in the form of a retirement fund and medical scheme benefits. Employees also receive disability benefits which will include the payment of the full medical aid benefit for the duration of the disability period, as well as death benefits and funeral cover.</p> <p>Should someone pass away while in our employ, their children will receive free education within the rules of the scheme, until the child has completed its tertiary education. Information on our Mahube Trust employee share ownership plan (ESOP) can be found in our Remuneration report on pages 118 to 119 of our 2012 Annual Integrated Report <a href="http://www.bafokengplatinum.co.za">www.bafokengplatinum.co.za</a>.</p>
2012 Activities	<ul style="list-style-type: none"><li>During 2012 we focused on implementing our remuneration philosophy uniformly across RBPlat, benchmarking our salaries and updating our short-term incentive scheme.</li><li>A Talent Management project was launched with the aim of retaining staff and implementing training aligned with business/individual needs</li></ul>
2013 Plans	Liaison with contractors to ensure compliance and consistency with the Basic Conditions of Employment (BCE Act). Compliance with this Act is non- negotiable and protects employment of children under age as prescribed.
Principle 5	Businesses should uphold the effective abolition of child labour.
Overview	We are committed to upholding the UN Universal Declaration of Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and complying with all relevant South African legislation. We are committed to the elimination of all forms of forced or compulsory labour and prohibit any form of child labour in our operations. All HR policies are in line with the Basic Conditions of Employment which also protects all employees against any abuse, including child labour.
2012 Activities	Focus was on the embedding of all our human resource policies and encouraging employee participation in CEO engagements, Labour engagements/forums, to ensure that no practices exist in terms of human rights abuses, including child labour.
2013 Plans	<ul style="list-style-type: none"><li>Open engagement with employees about their rights without any form of discrimination- freedom of association always encouraged.</li><li>Hotline established as requested by employees and managed by an independent body. This hotline to be refreshed/re-launched. It is meant to accommodate any report relating to various issues that may arise.</li><li>Current Recruitment policy does not allow for child labour as it is based on the BCEA.</li></ul>

Labour

Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.
Overview	<p>Our employment policy is designed to provide equal opportunities to all potential and existing employees and to achieve a diversified workplace that reflects the demographics of our country.</p> <p>Our human resource transformation strategy seeks to:</p> <ul style="list-style-type: none"><li>• develop the miners of tomorrow through youth development, graduate and bursary programmes and learnerships</li><li>• develop the miners of today by upgrading existing skills</li><li>• develop the historically disadvantaged South African leaders of tomorrow through leadership development programmes, internal promotion and succession planning</li><li>• increase the number of women in the workplace through retention, external recruitment and diversity training</li><li>• achieve diversity at all levels in the organisation</li><li>• facilitate home ownership in line with our social and labour plan commitments and our three-year wage agreement commitments.</li></ul>
2012 Activities	<ul style="list-style-type: none"><li>• We have already exceeded the Mining Charter’s 2014 HDSA targets by:<ul style="list-style-type: none"><li>- 100% at Board level</li><li>- 166.7% at senior management level</li><li>- 12.5% at middle management level</li><li>- 87.5% at junior management level</li><li>- 226.7% at core skills level.</li></ul></li><li>• Our approach to talent management was developed and approved by the Board in 2012. The objective of our talent management and succession planning process is to deliver the right talent with the right knowledge, skills and experience as and when the business requires them. It will be guided by our strategic plan, will include resourcing development, deployment and displacement and will be aligned with our current performance management system.</li></ul>
2013 Plans	<ul style="list-style-type: none"><li>• The first step in 2013 will be to identify a leadership pipeline and, using the profiles of the future positions, assess the potential succession candidates and identify suitable candidates. We will then develop individual growth plans for each succession candidate.</li><li>• In 2013 we will be introducing key performance management indicators for mining teams at BRPM. This integrated process will include analysis of data collected from observing teams at work and coaching. Initially, the cost efficiency team will identify sections in the mine or concentrator that are experiencing difficulties. These teams will be assessed, the training centre coaching team will conduct underground inspections and the data from these will be analysed by a psychometrist for further action.</li></ul>
Environment	Refer to Page 77 of our 2012 Annual Integrated Report <a href="http://www.bafokengplatinum.co.za">www.bafokengplatinum.co.za</a>
Principle 7	Businesses should support a precautionary approach to environmental challenges.

Overview	<p><b>Our approach to the environment</b></p> <p>Our Board of directors and our Chief Executive Officer, assisted by the Board’s Social and Ethics Committee, are accountable for RBPlat’s environmental management and the management of our impact on climate change. The Social and Ethics Committee also provides overall direction on our sustainable development.</p>
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Environment

Principle 7	Continued
Overview	<p>We completed our new RBPlat environmental strategy during 2012 and will implement it as an integral part of our SHE management system in 2013. In the meantime we continue to employ the Anglo American Platinum environmental strategy that was in place when we took over management and control of BRPM and the Styldrift Project.</p> <p>Our environmental team ensures that the RBPlat policies are aligned with all legal and regulatory requirements. The environmental team is also responsible for the auditing of the implementation of policy, standards and procedures. Line management is accountable for its effective implementation and uses our SHE management systems for this purpose. We review our environmental risks and opportunities annually as part of our business strategy and planning process. BRPM is ISO 14001:2004 certified and environmental management at Styldrift Mine is the responsibility of the Environmental Coordinator based at BRPM. In the future environmental management will be a shared service with one environmental coordinator overseeing the BRPM Joint Venture.</p> <p><b>Stakeholder Engagement</b></p> <p>We engage with the relevant government departments and communities on environmental issues and environmental impact assessments (EIAs).</p> <p><b>Minimising Impact</b></p> <p>We are committed to minimising our environmental impacts throughout the life of our operations and rehabilitate the land once our operations have ceased. Where possible, concurrent rehabilitation is done.</p> <p>We continuously identify and mitigate the negative environmental impacts of our activities and our operations have closure plans in place. They are captured in our impact register at operational and corporate office level and considered by the Board Audit and Risk Committee. This approach involves the management team in the analysis and treatment of environmental risks and performance. We train our employees in risk management and environmental awareness.</p>
2012 Activities	<ul style="list-style-type: none"><li>• Finalising our environmental strategy.</li><li>• Established various energy efficiency methods (see listing under Principle 8).</li><li>• Good progress with water management. The Regulation 704 construction work for the separation of clean and dirty water was completed this year.</li><li>• The disturbed land footprint for BRPM is 949 hectares. No more land was disturbed by BRPM operations in 2012. The disturbed land for Styldrift is 238.8 hectares. No more land was disturbed by Styldrift in 2012.</li></ul>
2013 Plans	<ul style="list-style-type: none"><li>• Implement environmental strategy.</li><li>• Continue to increase IMS. Implement further energy reduction projects that were identified during the gap analysis conducted in 2012.</li><li>• Installation and commissioning of a water treatment plant once the EIA has been approved.</li></ul>



Environment

Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.
Overview	<p><b>Environmental Rehabilitation Trust</b></p> <p>RBPlat’s mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The company recognises management’s best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred and actual timing thereof in future periods can differ materially from the estimates.</p> <p>Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates can affect the carrying amount of this provision. Estimated long-term environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the company’s environmental policy taking into account current technological, environmental and regulatory requirements.</p> <p>Provisions for future rehabilitation costs have been determined, based on calculations which require the use of estimates. RBPlat contributes to the BRPM Environmental Rehabilitation Trust annually. The trust was created to fund the estimated cost of pollution control, rehabilitation and mine closure at the end of the life of the mine. Contributions are determined on the basis of the estimated environmental obligation over the life of a mine. Contributions made are reflected as an environmental trust deposit.</p> <p><b>Climate Change</b></p> <p>Physically, climate change could materially affect our operations and the communities in which we operate through damage or possible business interruption caused by flooding, extreme storms, reduced availability of water and possible health impacts. Prolonged drought conditions could limit production growth or prevent us from operating.</p> <p>One of the financial risks associated with greenhouse gas (GHG) emissions is the introduction of a carbon tax in South Africa, which could result in increased costs for electricity and transportation, as well as higher operational costs related to GHG emission monitoring, reporting and accounting. Higher energy costs could also negatively affect our ability to contain operating costs and maintain production.</p> <p><b>Energy</b></p> <p>The fundamental business objective of responsible energy management is ensuring that our operations have an adequate supply of energy for sustained business growth. It is incumbent on us therefore to improve energy efficiency and reduce the consumption of electricity generated from the burning of fossil fuels.</p> <p>In 2012 we completed a general energy audit which identified the potential to reduce our electricity consumption and related emissions by 5% and we successfully completed major energy conservation projects.</p> <p>Two significant other recommendations were the optimising of the compressors’ cooling circuits and installing soft-starters on the main compressors to manage maximum energy demand. We plan to take advantage of some of these energy saving ideas to further reduce our energy consumption per tonne of ore treated.</p> <p>At BRPM, we have embarked on a number of energy saving initiatives which, combined with an increase in tonnes milled, have contributed to a reduction in energy consumption.</p>

Principle 8	Continued
Overview	<p>These include:</p> <ul style="list-style-type: none"><li>• Installing capacitor banks to keep the power factor close to unity. This has resulted in a significant reduction in charges on BRPM’s electricity account for reactive power.</li><li>• We installed and commissioned a Level 2 electricity metering and measurement system at BRPM to enhance electricity consumption management.</li><li>• Installing heat pumps at change houses to heat up water, instead of using urns to heat water, which has achieved a reduction in power usage of approximately 5%.</li><li>• Energy saving lights, which have been installed on surface and underground workings.</li><li>• All ventilation fan vanes having been clamped at 60% to reduce their energy consumption to a minimum.</li><li>• We continued with the installation of an underground compressed air control system which has now also been installed on 9 and 10 levels at North shaft and 9 level at South shaft. By changing the control philosophy of our compressed air system we reduced our energy consumption by a further 2MWh a month.</li><li>• A compressed air automatic control system that has been installed underground on each level to automatically shut down the valves feeding the level if there is no activity or work being done on that level. After the shift all the valves will be remotely shut off to avoid wastage.</li><li>• We also implemented a management system change which shuts off 50% of our ventilation fans over weekends when we do not have people working underground.</li><li>• Continual monitoring and adjustment of the main ventilation fans’ vanes’ positions, to ensure operational efficiency and the steady reduction of ventilation air leakage underground.</li><li>• The installation of variable speed drives to control our main ventilation fans is estimated to reduce our energy consumption by a further 9 800MWh per annum.</li><li>• Vanes were installed on first phase main ventilation fans to enable a potential reduction in electricity consumption by 13.2MWh a month. The vanes allow us to control the use of electricity during off-peak periods by reducing the size of the aperture through which we distribute air to the underground workings and in turn reducing our energy usage by up to 60%.</li><li>• We also embarked on a programme to reduce leakages on our main compressed air system. This included addressing air leakages in our stopes and closing off compressed air columns in all mined out areas.</li></ul> <p>Two other recommendations made to optimise energy savings were the optimising of the compressors’ cooling circuits and installing soft-starters on the main compressors to manage maximum energy demand. We plan to take advantage of some of these energy saving ideas to further reduce our energy consumption per tonne of ore treated.</p> <p><b>Biodiversity</b></p> <p>To manage any biodiversity risks we have developed a long-term biodiversity monitoring programme to:</p> <ul style="list-style-type: none"><li>• implement an integrated alien plant control programme</li><li>• conduct a medicinal plant survey</li><li>• design and implement a fire management plan</li><li>• promote sustainable use of natural resources within the area</li><li>• initiate environmental education programmes</li><li>• improve our understanding of the biodiversity in the area.</li></ul>

Environment

Principle 8	Continued
Overview	<p>While our operations are not in protected areas, they are adjacent to sensitive sites important not only for their unique and rich biodiversity, but also because of the ecosystem services they provide. No threatened plant species were recorded during baseline and follow up surveys. We maintain firebreaks to prevent the loss of biodiversity during fires. To promote biodiversity, we plant indigenous trees on our property and in the community. We also engage with the schools in the vicinity of our operations to promote biodiversity and sponsor indigenous tree planting at these schools.</p> <p>The combination of mining activities, the proximity of the community areas to the mine lease area and the associated human activities may have a negative impact on BRPM’s biodiversity, aspects of which include:</p> <ul style="list-style-type: none"><li>• habitat loss due to old and redundant infrastructure and new infrastructure developments</li><li>• altered or inappropriate fire regimes</li><li>• the mistreatment and/or collection of animals for food/pets (predators, snakes)</li><li>• possible road deaths of animals hit by vehicular traffic</li><li>• the removal of habitat components (rocks, trees, etc) for construction material</li><li>• the potential increase in erosion of cleared areas</li><li>• noise, dust and movement associated with construction and mining activities in the area</li><li>• increasing airborne and gaseous emissions as a result of mining activity</li><li>• the disturbance of vegetation (historical cultivation/construction/grazing)</li><li>• invasion by alien vegetation</li><li>• the deterioration in water quality (sedimentation/embeddedness/seepage/spills).</li></ul> <p>To manage any biodiversity risks we have developed a long-term biodiversity monitoring programme to:</p> <ul style="list-style-type: none"><li>• implement an integrated alien plant control programme</li><li>• conduct a medicinal plant survey</li><li>• design and implement a fire management plan</li><li>• promote sustainable use of natural resources within the area</li><li>• initiate environmental education programmes</li><li>• improve our understanding of the biodiversity in the area.</li></ul> <p>Water</p> <p>Our management of water resources is based on:</p> <ul style="list-style-type: none"><li>• securing sufficient water for our current and future mining operations.</li><li>• reducing our fresh water consumption by improving water use efficiencies and water recycling.</li><li>• preventing the contamination of ground and surface water resources.</li></ul> <p>Waste</p> <p>Mining and metallurgical operations produce hazardous and non-hazardous waste which, unless properly disposed of, can be a threat to the environment. We have a waste management plan in place to reduce, reuse, recycle or responsibly dispose of the waste we generate. Our aim is to minimise the amount of waste sent to the landfill site and cut costs. Accredited service providers transport our recyclable waste to recycling companies for recycling in a responsible manner.</p>

Principle 8	Continued
	<p>Materials currently recycled include scrap metal and conveyor belts. From 2013 our waste paper will also be recycled. Most of our industrial waste is sorted on site and reused where possible. Packaging material is not recycled, explosives bags and boxes are destroyed by means of burning, as required by law.</p> <p>BRPM reduced its use of paper by the equivalent of 23 trees this year and was presented with 23 trees by the supplier of our photocopy paper to plant on Arbour Day in recognition of this achievement. Our hazardous waste (made up of hydrocarbon contaminated material) is transported to a landfill site at Holfontein.</p> <p>RBPlat does not import, export or treat waste deemed hazardous under the Basel Convention Annex I, II, III and VIII. Tailings are disposed of at our tailings dam and waste rock is disposed of at our waste rock dumps.</p> <p>Product Stewardship</p> <p>We are committed to minimising the dispersion of metals back into the biosphere and reducing the environmental and health risks associated with this. We aim to ensure the health, safety and environmental risks associated with the use, recovery, recycling and disposal of our products are properly understood by customers and mitigated.</p> <p>Since our metals are sold into a global market place, we believe that meeting our product stewardship commitment is best done in collaboration with key stakeholders. Much of our engagement on product stewardship is done via our membership of the International Platinum Group Metals Association (IPA).</p> <p>The refiners and marketers of our PGMs recognise the responsibility they have as suppliers of PGMs to build value chains that minimise the negative and enhance the positive impacts of PGMs over their lifecycles. The metals produced from our concentrate are sold into the global marketplace by Anglo American Platinum, which meets its product stewardship commitments in collaboration with key stakeholders including government, industry associations, the scientific community and civil society organisations. There have been no incidents of non-compliance with regulations and voluntary codes concerning our products and we have not received any fines for non-compliance with laws and regulations concerning the provision and use of our products and services.</p>
2012 Activities	<ul style="list-style-type: none"><li>• We have established a four-year history of our carbon footprint between 2009 and December 2012. We conduct an annual assessment of our carbon emissions with the aim of improving our carbon intensity and reducing our absolute emissions. We also continue to participate in the carbon disclosure project as part of our accountability to our stakeholders.</li><li>• During the year we completed the infrastructure to separate clean and dirty water infrastructure at BRPM. We upgraded stormwater dams and diversion canals across the property. This work has ensured that no dirty water is discharged from our operations to the environment.</li><li>• During the year we automated and expanded the potable water metering and management system. This will give us a better understanding of and ability to control our water usage.</li><li>• We currently have excess water on site at BRPM. To reduce this we installed a sprinkler system at our tailings dam complex as an interim measure to evaporate the excess water and reuse it.</li></ul>



Environment

Principle 8	Continued
2012 Activities	<ul style="list-style-type: none"><li>In terms of operational readiness for Styldrift I in 2014, in addition to preparing to achieve ISO 14001:2004 accreditation, we are investigating how best to manage its mine water. We have installed a filtering system, which allows us to reuse our mine water and reduce our consumption of water from Magalies Water. We are also monitoring the amount of nitrates in the water stemming from the use of explosives for blasting.</li><li>The reduction in our explosives consumption in 2012 is due to improved drilling and blasting efficiencies.</li><li>Reserves of liquefied petroleum gas (LPG) from 2011 were used in 2012 resulting in a reduction in LPG purchases in 2012.</li></ul>
2013 Plans	<ul style="list-style-type: none"><li>Implementation of energy saving ideas to further reduce our energy consumption per tonne of ore treated.</li><li>Our plans to treat the excess water currently stored on site will go ahead as soon as the EIA has been approved by the Department of Environmental Affairs. We are hopeful that the water treatment plant construction will commence in the third quarter of 2013. The installation of this plant will reduce our reliance on potable water from external sources. The expected reduction in our consumption of potable water from external sources (Magalies Water) is four megalitres (ML) a day. We also intend installing a mini pump station at North and South shafts to pump out fissure water for reuse in our mining processes.</li></ul>
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies

Overview	<p><b>Energy</b></p> <p>Some of the significant consumers of electricity in our mines are the main ventilation fans and compressors. Vanes were installed on first phase main ventilation fans to enable a potential reduction in electricity consumption by 13.2MWh a month. The vanes allow us to control the use of electricity during off-peak periods by reducing the size of the aperture through which we distribute air to the underground workings and in turn reducing our energy usage by up to 60%. We also implemented a management system change which shuts off 50% of our ventilation fans over weekends when we do not have people working underground.</p> <p>We continued with the installation of an underground compressed air control system which has now also been installed on 9 and 10 levels at North shaft and 9 level at South shaft. By changing the control philosophy of our compressed air system we reduced our energy consumption by a further 2MWh a month. Our off-peak consumption period for compressed air coincides with Eskom’s peak consumption period, when electricity is at its most expensive and in short supply. We are able to shut off the compressed air supply to our underground workings at this time, reducing our electricity consumption and associated GHG emissions. We also embarked on a programme to reduce leakages on our main compressed air system. This included addressing air leakages in our stopes and closing off compressed air columns in all mined out areas.</p> <p>The energy consumption audit we conducted at BRPM this year identified additional areas where we can reduce energy consumption. Most significant is the installation of variable speed drives to control our main ventilation fans which it is estimated would reduce our energy consumption by a further 9 800MWh per annum. Two other recommendations were the optimising of the compressors’ cooling circuits and installing soft-starters on the main compressors to manage maximum energy demand. We plan to take advantage of some of these energy saving ideas to further reduce our energy consumption per tonne of ore treated.</p>
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Principle 9	Continued
Overview	<p><b>Our Product</b></p> <p>The PGMs we produce, are a vital component in autocatalytic converters. As such they play a significant role in reducing air pollution by limiting the discharge of carbon monoxide, hydrocarbons, nitrous oxides and particulates. Approximately 56% of global PGM production is used in autocatalytic converters.</p>
2012 Activities	<ul style="list-style-type: none"><li>We completed a general energy audit which identified the potential to reduce our electricity consumption and related emissions by 5%.</li><li>RBPlat increased its GHG emissions by 25 603 CO2-e tonnes, mainly due to the increased energy consumption resulting from the increased shaft sinking activities at Styldrift I.</li><li>BRPM’s energy consumption improved by 3.2% per tonne of ore treated and its energy consumption improved by 0.8% per tonne of ore treated.</li><li>We successfully completed major energy conservation projects at BRPM this year as discussed in the overview.</li></ul>
2013 Plans	<ul style="list-style-type: none"><li>Implementation of energy saving ideas to further reduce our energy consumption per tonne of ore treated.</li></ul>
Anti-corruption	Refer to Page 121 of our 2012 Annual Integrated Report <a href="http://www.bafokengplatinum.co.za">www.bafokengplatinum.co.za</a>
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

Overview	<p>We believe in ethical business conduct and have a zero tolerance approach to corrupt behaviour and any behaviour that may compromise human rights.</p> <p>We require our directors and employees, including our contractors and consultants, to apply the highest ethical standards when conducting business on behalf of RBPlat. We have a Code of Ethics in place and an Ethics line independently managed by an experienced external service provider, KPMG. Members of our workforce and our suppliers are encouraged to report any suspicions they may have of irregularities, using the Ethics line. Our Ethics Hotline number is: 0800 00 73 96 or +27 (0) 12 543 5802 (outside SA). Anyone using our Ethics line is guaranteed anonymity. We investigate cases reported and take corrective action if it is required. Since the inception of this facility in November 2011, 13 cases have been reported of which two recent cases are still under investigation. These cases are reported on to the Audit and Risk Committee and the Social and Ethics Committee.</p> <p>The Board approved a revision of our ethics policy, based on international best practice, during 2012. In 2013 we will begin establishing a framework that will allow us to assess our ethics culture, establish gaps and implement a process to monitor and report on the ethical behaviour within RBPlat and the risks associated with unethical behaviour.</p> <p>To help us establish a culture of ethical behaviour and a respect for human rights, the induction process at our operations includes training in human rights and ethics. We also have the necessary grievance and corrective action procedures in place to ensure that any corrupt behaviour that we become aware of is dealt with accordingly.</p>
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Environment

Principle 10	Continued
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Overview

Code of Ethics

Our Code of Ethics explains that we do not tolerate acts of bribery or fraud by our employees, contractors, suppliers, joint venture partners and other business partners. We take immediate action (which may include dismissal and legal action) against any organisation or person committing bribery or fraud and have systems in place to prevent these misdemeanours. We are also committed to fair trade and purchasing in an ethical manner.

RBPlat does not support any political parties or politicians with financial or in-kind contributions.

No legal action of any kind has been instituted against RBPlat during 2012 as far as we are aware. RBPlat is in discussion with the DMR regarding a fine which is not material in nature.

2012 Activities

- All service and goods contracts were transferred from Anglo American Platinum and further enhanced to provide RBPlat with value for money agreements and to strengthen the governance around contracts.
- A Supply Chain division was established to ensure that there is proper segregation of duties to eliminate possible collusion and/or corrupt practices.
- A Risk and Assurance Executive was appointed at Executive Committee level to coordinate all risk management and assurance (internal audit, forensic audit and compliance) activities and to develop a robust enterprise risk management policy and framework.
- The Ethics Hotline was launched and a continuous monitoring process implemented.

2013 Plans

- A comprehensive fraud and corruption prevention policy will be developed to provide adequate governance and processes for the combating of fraud and corruption.
- All senior and middle management will be required to sign a “declaration of interest” document to ensure that any possible direct or indirect conflicts are eliminated and thus reduce the opportunity for fraudulent activities.
- A companywide awareness campaign will be launched to make employees aware of the fraud and corruption prevention policy and the ethics hotline.





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